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SUBJECT: FORMER PRIME MINISTER HAUGHEY DIES

DEATH OF FORMER IRISH P.M. HAUGHEY

11. On June 13 the Irish Department of Foreign Affairs informed Post of the death the same day of former Taoiseach (Prime Minister) Charles J. Haughey and invited the Ambassador to attend his State Funeral Mass to be held at 12 noon on June 16 in Dublin. We do not expect that invitations for delegations from capitals will be issued.

HAUGHEY'S TURBULENT POLITICAL HISTORY

- 12. Haughey became a Fianna Fail Party MP in 1957 and held a number of ministerial positions in the 1960s including Justice, Agriculture, and Education. He was dismissed as Finance Minister in 1970 for alleged smuggling of arms to the Irish Republican Army (IRA) in Northern Ireland although he was later cleared of all charges. His political career later recovered and he became Minster of Health and Social Welfare (1977-79) and Prime Minister (1979-81, 1982, 1987-92). He resigned as Prime Minister in 1992 after financial and wiretapping scandals and rumors of corruption haunted him all his life. After leaving political office he paid taxes and fines of euro 5 million and was indicted on charges of obstructing justice.
- 13. Haughey remains a figure much loved by some and seen by others as emblematic of corruption in Irish politics. In recent years, as his health worsened, commentators have focused on his achievements. As the Irish Times noted on June 13, "Despite being liked and loathed in equal measure, Haughey is largely credited with transforming the economy and laying the groundwork for the peace process." He is credited with assisting the formation of the International Financial Services Centre (IFSC) now employing 16,000 people in the late 1980s which earned hundreds of millions of euro for the Irish economy and laid the groundwork for the "Celtic Tiger" economic expansion in the 1990s. His legacy also includes making women's issues a priority, instituting free public travel for pensioners, and initiating tax-free status for artists, writers, and the horse-breeding industry (Ireland is now the number three horse breeder in the world.) At the 2005 annual Fianna Fail Party conference, the delegates voted emphatically to extend best wishes to then 80-year old former leader Haughey despite his controversial status because, as one speaker put it, "Fianna Fail is a family, and blood is thicker than water." (End comments).
- $\underline{\ }$ 4. Embassy conveys the draft text below in the event the White House wishes to pass a condolence message.

Begin text.

Mrs. Maureen Haughey Abbeville Kinsealy, County Dublin Dear Mrs. Haughey,

It was with great sadness that I learned of the passing of your husband. As a public official, he upheld and furthered the unusually close relations between our two countries. Laura joins me in conveying our deepest sympathy to you and your family. Our thoughts and prayers are with you all.

Sincerely,

George W. Bush

End text.

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